

BOUNTIFUL REDEVELOPMENT AGENCY

Meeting Minutes of June 19, 2007

Location: City Council Chambers, Bountiful City Hall, 790 South 100 East, Bountiful, Utah

Present: Chairman Joe Johnson, Board Members Richard Higginson, Thomas Tolman, Scott Meyers, Barbara Holt, Fred Moss City Attorney Russell Mahan, City Manager Tom Hardy, City Engineer Paul Rowland and Redevelopment Director Aric Jensen.

Welcome

Chairman Johnson opened the meeting at 6:45 p.m. and welcomed those in attendance.

Agenda Items

1. Approve minutes from the meeting of May 22, 2007.

Board Member Richard Higginson made a motion to approve the minutes for May 22, 2007 as drafted. Board Member Tom Tolman seconded the motion and voting was unanimous in favor.

2. Consider RDA Economic Development loan to Security Investment, John Hepworth, applicant.

Mr. Jensen presented the request for the redevelopment loan for the Security Investment project on the Northwest and Southwest corners of 100 South and Main Street. The proposed project is a mixed use development that has already been approved. The applicant is requesting a redevelopment loan of \$1,000,000. This is the largest loan the City has ever granted. However, this is the showcase project for what the City Council, Planning Commission and others have envisioned for Main Street.

Staff would like to recommend approval of the loan for \$1,000,000 with the terms outlined in the staff report.

Mr. Jensen explained that if this loan was approved it would leave around \$200,000 in the RDA budget, which is the minimum cushion needed to operate successfully through the rest of the fiscal year.

The board discussed the need for this type of project on Main Street and the need for maintaining business on Main Street. They also discussed the terms of the loan and that the City will be in first lien position on this loan.

Board Member Richard Higginson made a motion to approve the RDA Economic Development loan to Security Investment for \$1,000,000 with the terms:

Principal Amount:	\$1,000,000
Interest Rate:	3% Annual
Amortization Period:	10 Years
Balloon Payment:	5 Years
Payments:	Monthly

Fred Moss seconded the motion. Voting was unanimous in favor.

3. **Public Hearing - Consider amending the FY 2007 Budget.**

Mr. Jensen presented the proposal to amend the existing RDA FY 2007 Budget. This is resolution 2007-1. This amendment is for accounting purposes only, and designates the loan revenue received and the disbursed for the school district portion of the Rec. Center.

The Public Hearing was opened and closed without any comment.

Fred Moss made a motion to approve Resolution 2007-1 amending the FY 2007 RDA Budget. Barbara Holt seconded the Motion. Voting was unanimous in favor.

4. **Review and consider adoption of the FY 2008 RDA Budget.**

Mr. Jensen presented the budget to the Board Members. There was one item that needed to be changed in addition to the yellow highlighted items. The RDA Operating Budget drafted 06-19-07 showed \$1,000,000 for the Hepworth/Securities Investment in the "Special Project" fund because it was to be a construction loan, however, it is now proposed to be a long term loan, so the funds need to be in the "Revolving Loan" fund. This change is reflected on the second page and the last page of the handout.

The Staff recommends that the Board approve the FY 2007/2008 RDA Budget as shown in Resolution 2007-02 with the changes discussed.

The Public Hearing was opened and closed without any comment.

Tom Tolman made a motion to approve the adoption of the FY 2007/2008 Operating RDA Budget, Resolution 2007-2 with the changes presented. Richard Higginson seconded the motion. Voting was unanimous in favor.

3. **RDA Director's report and Misc. Business.**

No items of business to discuss.

Adjourn

Chairman Johnson ascertained that there were no other items to discuss. Barbara Holt made a motion to adjourn. Fred Moss seconded the motion. Voting was unanimous in the affirmative. The meeting was adjourned at 6:58 p.m.